



**MEMORANDUM OF UNDERSTANDING**

**(AS AMENDED)**

**BETWEEN**

**THE GOVERNMENT OF AUSTRALIA**

**AND**

**THE GOVERNMENT OF  
THE REPUBLIC OF INDONESIA**

**ON THE INDONESIA-AUSTRALIA SKILLS DEVELOPMENT EXCHANGE  
PILOT**

RECOGNISING the common goal to strengthen links between Indonesia and Australia in accordance with the Indonesia-Australia Comprehensive Economic Partnership Agreement (Agreement);

AFFIRMING the importance placed by both Indonesia and Australia on delivering mutually advantageous outcomes to strengthen skills and experiences in each country;

RECALLING the Memorandum of Understanding entered between the Government of the Republic of Indonesia (**Indonesia**) and the Government of Australia (**Australia**) on the Indonesia-Australia Skills Development Exchange Pilot Project, dated 4 March 2019 (**Original MoU**);

INTENDING to expand and enhance the economic benefits of the Agreement;

SEEKING to amend the Original MoU in accordance with the requirements of paragraph 14 of the Original MoU, on the terms set out in this document;

Indonesia and Australia, (together the **Participants**) have reached the following understandings:

## 1 PURPOSE

1.1 The purpose of this Memorandum of Understanding (as amended) (MoU) is to:

- (a) establish the Indonesia-Australia Skills Development Exchange Pilot (Pilot);
- (b) outline the scope, terms and conditions of the Pilot; and
- (c) set out, as a principles-based document, the overall framework to implement the Pilot.

1.2 This MoU is administrative in nature and is not intended to create, maintain or govern legal relations or obligations between Australia and Indonesia. The obligations arising under domestic or international law for Australia and Indonesia are not affected by this MoU.

## 2 DEFINITIONS

For the purposes of this MoU:

**Business Peak Body** means:

- (a) for Indonesia:

- i. the Indonesian Chamber of Commerce and Industry 'Kamar Dagang dan Industri' (**KADIN**); or
- ii. Asosiasi Pengusaha Indonesia (**APINDO**); or
- iii. the Indonesia-Australia Business Council (**IABC**);

(b) for Australia:

- i. the Australian Chamber of Commerce and Industry (**ACCI**); or
- ii. the Australian Industry Group (**Ai Group**); or
- iii. the Australia-Indonesia Business Council (**AIBC**);

**Employed**

means to be in an employee-employer relationship under a contract of employment and does not include independent contractors;

**Exchangee**

means an individual who will undertake a **Workplace Placement** under this MoU;

**Host Organisation**

means a business enterprise which is hosting an **Exchangee** to undertake a **Workplace Placement** under this MoU;

**Immigration Authority**

means:

(a) Directorate General of Immigration (**Imigrasi**), Ministry of Law and Human Rights, in the case of Indonesia; and

(b) the Department of Home Affairs (**Home Affairs**) in the case of Australia;

**Industry Stakeholders**

For Australia, **Industry Stakeholders** include the industry bodies, unions or any other agency or community group relevant to the sector of a **Workplace Placement**;

For Indonesia, **Industry Stakeholders** are **Business Peak Bodies**;

<b>Migration or Immigration Law</b>	<p>means legislation, regulations, determinations, other regulations, case law and any policy that governs the entry to, stay in and departure from a country by a non-citizen of that country;</p> <p>For Australia this includes: The <i>Migration Act 1958 (Cth)</i> and associated legislation, including but not limited to the <i>Migration Regulations 1994 (Cth)</i>; and</p> <p>For Indonesia this includes: <i>Law No. 6/2011 on Immigration</i> and its implementing regulation not limited to the <i>Government Regulation No. 31/2013, and its amendments</i>;</p>
<b>MoU</b>	means this Memorandum of Understanding (by which the <b>Original MoU</b> is amended);
<b>Original MoU</b>	means the Memorandum of Understanding on the Indonesia-Australia Skills Development Exchange Pilot Project between the Participants dated 4 March 2019;
<b>Sending Organisation</b>	means a business enterprise which is sending an <b>Exchangee</b> to undertake a <b>Workplace Placement</b> under this MoU;
<b>Visa</b>	<p>For Indonesia, visa means a written statement issued by the authorised official in the representative office of Indonesia or other places designated by Indonesia, identifying approval for an individual to perform travel to Indonesia and what constitutes the ground for issuing a stay permit;</p> <p>For Australia, visa means a document or electronic authority granting an individual of Indonesia the right to temporarily enter, stay or work in Australia, including any conditions which attach to it;</p>
<b>Workplace Law</b>	means any legislation, regulation, award, determination or other instrument at any level of administration, and any case law, which regulate the relationships between employers and employees and between an independent contractor and a principal (including those dealing with workplace health and safety matters, discrimination and workers compensation);

In Australia, this includes the *Fair Work Act 2009 (Cth)*, *Fair Work (Registered Organisations) Act 2009 (Cth)*, and the *Independent Contractors Act 2006 (Cth)*;

In Indonesia this includes:  
*Law No. 13/2003 on Manpower*, *Law No. 18/2017 on Protection of Indonesian Migrant Worker*, *Law No. 1/1970 on Occupational, Safety and Health*, *Law No. 7/1981 on Compulsory Company Manpower Report*, and *Government Regulation No. 34/2021 on the Foreign Workers Utilization*;

### **Workplace Placement**

**Workplace Placement** means an **Exchangee's** placement in a **Host Organisation** consistent with the terms and conditions set out in this MoU.

## **3 OBJECTIVES**

3.1 The objectives of the Pilot are to:

- (a) facilitate short-term exchanges to share skills and practical work experience between Indonesia and Australia;
- (b) strengthen understanding of business, government and cultural practices in Indonesia and Australia;
- (c) strengthen cooperation between Indonesian and Australian government agencies on collaborative skills development; and
- (d) enable business to provide targeted workplace-based training and experience to employees in both Indonesia and Australia to improve skills competencies.

3.2 The Pilot will take into account Indonesia and Australia's different levels of development, skills capabilities and development priorities.

3.3 Australia and Indonesia affirm their intention to encourage their respective domestic authorities to cooperate to implement this MoU.

## **4 ELIGIBLE WORKPLACE PLACEMENTS**

4.1 Subject to the Participants' laws and regulations, the Pilot will enable Workplace Placements, for a maximum period of 12 months, in the following sectors:

- (a) Financial and insurance services;

- (b) Mining, engineering and related technical services;
- (c) Information media and telecommunications services;
- (d) Tourism and travel related services;
- (e) Creative economy;
- (f) Agri-business and food processing; and
- (g) Green economy.

4.2 Where a Workplace Placement is proposed in a sector other than those identified in paragraph 4.1, the Participant where the Host Organisation is located may consider the application in consultation with relevant Industry Stakeholders. Any addition to the sectors identified in this article shall be mutually agreed by the Participants.

4.3 For Workplace Placements in positions that are regulated occupations in Australia or Indonesia, an Exchangee must satisfy any licensing, registration, certification or other requirements relevant to the occupation and comply with Workplace Law in the jurisdiction in which the Workplace Placement is hosted.

4.4 The Sending Organisation and Host Organisation should have an existing relationship or establish a relationship, such as a contract to supply services, for the purpose of arranging a Workplace Placement. Such relationships may only include exchanges between:

- (a) branches or parts of the same organisation;
- (b) an organisation and an affiliate organisation (for example, between a company and a subsidiary or related entity);
- (c) an organisation and an established partner organisation (for example, between joint venture partners, businesses with existing formal links, or between a business and an established client); or
- (d) organisations that are Members of KADIN, APINDO, IABC, ACCI, Ai Group or AIBC.

4.5 Workplace Placements are available to skilled individuals (Exchangees) who are employed on a full-time basis by a Sending Organisation prior to an exchange. The Workplace Placement will need to be at an appropriate skill level and within the sectors specified in paragraph 4.1, or otherwise permitted under paragraph 4.2:

- (a) for Australia, a position of appropriate skill level means any position in an occupation as defined in the Australian and New Zealand Standard Classification of Occupations (ANZSCO) Skill Level 1-3, other

than where Australian citizenship or permanent residence is a prerequisite for employment, engagement or appointment (such as under the Australian Constitution or applicable Commonwealth, state or territory laws or regulations);

(b) for Indonesia, a position of appropriate skill level means any position in an occupation as defined in prevailing regulations, which requires:

- i. a diploma 1 degree, for Workplace Placements of up to 6 months duration; or
- ii. a bachelor degree and above with 5 years working experience, for Workplace Placements up to 12 months duration.

## **5 PARAMETERS**

Australia and Indonesia jointly determine what limits will apply to the Pilot in relation to the following:

- (a) the number of places under the Pilot from each country:
  - i. from the date this MoU comes into effect to 30 June 2024 – up to 100 Exchangees granted;
  - ii. from 1 July 2024 to 30 June 2025 – up to 200 Exchangees granted;
  - iii. from 1 July 2025 to 30 June 2026 – up to 300 Exchangees granted;
  - iv. from 1 July 2026 to 30 June 2027 – up to 400 Exchangees granted; and
  - v. from 1 July 2027 to 30 June 2028 – up to 500 Exchangees granted.
  
- (b) The number of places from Australia or Indonesia is not cumulative each year. That is, unless otherwise agreed between Australia and Indonesia through consultation, there will be 1,500 places available under the Pilot from Australia or Indonesia over the five-year life of the Pilot.

## **6 REQUIREMENTS ON EXCHANGEES**

In order to be eligible to participate in the Pilot, a prospective Exchangee will need to demonstrate that they meet the following requirements:

- (a) be aged over 18 years at the time the application for a Workplace Placement is made;

- (b) have adequate language proficiency for the position and the intent of the Workplace Placement; and
- (c) have the relevant skills and meet employment, skills, and licensing requirements for a Workplace Placement set out in paragraphs 4.1, 4.3 and 4.5.

## **7 REQUIREMENTS ON SENDING ORGANISATIONS**

7.1 For a Workplace Placement to Australia, the Sending Organisation should provide a letter of support to the prospective Exchangee outlining:

- (a) the prospective Exchangee's details;
- (b) a description of the prospective Exchangee's current position within the Sending Organisation;
- (c) support to participate in the Workplace Placement;
- (d) confirmation that the prospective Exchangee's current position will be available upon completion of the Workplace Placement; and
- (e) a description of the Sending Organisation's relationship with the Hosting Organisation.

7.2 For a Workplace Placement to Australia, the Sending Organisation must obtain a written permit from the Indonesian Ministry of Manpower (MoM) to send the Exchangee.

7.3 For Workplace Placements in either Australia or Indonesia, where appropriate, the Sending Organisation should also provide a description of any training objectives identified under paragraphs 9.2 and 9.4.

## **8 REQUIREMENTS ON HOST ORGANISATIONS**

8.1 For a Workplace Placement in either Australia or Indonesia, Host Organisations will be responsible for arranging and funding Workplace Placements for Exchangees, including:

- (a) an Exchangee's travel;
- (b) workplace-based training and any formal training, including as identified under paragraph 9;
- (c) remuneration consistent with requirements in the Host jurisdiction;



- (d) health insurance; and
- (e) where applicable, sector specific workplace insurance.

8.2 For a Workplace Placement in Australia, Host Organisations should provide a letter of offer to a prospective Exchangee confirming a Workplace Placement meets the requirements set out in paragraph 8.1 and paragraph 4.

8.3 For a Workplace Placement in Indonesia, Host Organisations should:

- (a) register at [tka-online.kemnaker.go.id](http://tka-online.kemnaker.go.id) for applying a Foreign Worker Utilization Plan (RPTKA); and
- (b) obtain a letter of acknowledgement from the Australian Department of Foreign Affairs and Trade (DFAT), which will enable Indonesia and Australia to track applications under the MoU. However, if the Host Organisation is a member of an Indonesian Business Peak Body, a letter of acknowledgment from the Business Peak Body is equivalent to that letter of acknowledgement from DFAT.

## **9 SKILLS DEVELOPMENT TRAINING**

9.1 Australia and Indonesia affirm their intention that any Workplace Placement under the Pilot should be focused on providing Exchangees with appropriate workplace experience and training as set out in this MoU.

9.2 The Sending Organisation and Host Organisation may determine in writing the skills to be developed during a Workplace Placement, including training to be provided.

9.3 While on a Workplace Placement, Exchangees may obtain relevant qualifications or certification through participation in relevant training, for example, formal training for licensing or regulatory purposes for the occupation. The Host Organisation should encourage Exchangees to take an examination for certification during the program, where feasible. While formal training may be undertaken this is not to be the primary purpose of the Workplace Placement.

9.4 Australia and Indonesia acknowledge that training may differ on a case-by-case basis and will depend on the Exchangee's needs and the skills development priorities of the Sending Organisation or Host Organisation. Such training may include, but is not limited to, classroom-based learning, technical training and 'on-the-job' skills development, delivered at the workplace or by external providers.

9.5 Host Organisations should provide to Exchangees at the conclusion of a Workplace Placement a written statement confirming the training and period of the placement undertaken by the Exchangee.

9.6 To avoid any doubt, Exchangees will not be responsible for any training costs associated with Workplace Placements, including participation in any associated formal training.

## **10 APPLICATION PROCESS**

10.1 To apply for a Workplace Placement in Australia, a prospective Exchangee must submit an application in the form required by DFAT.

10.2 Applications should:

- (a) demonstrate that the applicant meets the requirements set out in paragraph 6 (Requirements on Exchangees);
- (b) include a letter of support from the Sending Organisation, as set out in paragraph 7 (Requirements on Sending Organisations);
- (c) include a letter of offer from the Host Organisation as set out in paragraph 8 (Requirements on Host Organisations); and
- (d) provide evidence of financial support and health insurance.

10.3 DFAT will consult with Host Organisations and the MoM to assess the eligibility of applications.

10.4 Where an application is approved, DFAT will confirm this to the prospective Exchangee in writing. A prospective Exchangee should include this approval in their visa application, as described in paragraph 11 (Visa Arrangements).

10.5 To apply for a Workplace Placement in Indonesia, the Host Organisation will be responsible for providing all documentation required for the RPTKA. This will include:

- (a) a passport of the prospective Exchangee;
- (b) a recent photo of the prospective Exchangee;
- (c) education certificate of the prospective Exchangee;
- (d) a certificate of competency or work experience of the prospective Exchangee;
- (e) a letter of acknowledgement, as identified in paragraph 8.3 (b);  
and
- (f) any other documents required by the MoM.

## **11 VISA ARRANGEMENTS**

11.1 For a Workplace Placement in Indonesia, the Host Organisation in Indonesia will need to apply for an appropriate visa for an Exchangee under the Pilot. For a Workplace Placement in Australia, a prospective Exchangee will need to apply for an appropriate visa to enter Australia under the Pilot. In each case, the applicant will be responsible for providing to the relevant Immigration Authority all documentation required for a visa application. This will include:

- (a) relevant visa application form required by the Immigration Authority;
- (b) for visa applications to Australia, the letter of support referred to in paragraph 10.4;
- (c) evidence of financial support and health insurance for the applicant during the exchange;
- (d) evidence of payment of the visa application charge; and
- (e) any other documents required by the Immigration Authority.

11.2 For a Workplace Placement in Australia, prospective Exchangees from Indonesia will need to apply for a Temporary Work (International Relations) Visa (Subclass 403) – Government Agreement Stream or its equivalent. Visa applications must be submitted online, through the Department of Home Affairs' online system, ImmiAccount.

11.3 For a Workplace Placement in Indonesia, the Host Organisation must submit a copy of the approved Foreign Worker Utilization Plan (RPTKA) in order to obtain a visa index C312, Limited Stay Visa. Visa Applications should be submitted for processing to an Indonesian Directorate Immigration Office in Indonesia.

11.4 Visas issued will not include provisions for extending stay or for spouses or dependants to accompany the Exchangee.

## **12 VISA DECISIONS**

12.1 In addition to meeting the requirements of this MoU, all applicants must meet any requirements set out in the relevant Migration or Immigration Law before they can be granted a visa under the Pilot.

12.2 The decision to grant a visa under the Pilot remains the prerogative of the respective Immigration Authorities.

12.3 The relevant Immigration Authority will make a visa decision on a case-by-case basis, and in accordance with the requirements set out in this MoU and in the relevant Migration or Immigration Law.

## **13 EXCHANGE OF INFORMATION**

Australia and Indonesia will assist each other, wherever possible, with interpretation of rules, regulations and any other requirements necessary for meeting commitments under this MoU.

## **14 COMMUNICATION STRATEGY AND MEDIA**

14.1 Australia and Indonesia will endeavour to cooperate with Business Peak Bodies to promote the Pilot.

14.2 Australia and Indonesia may jointly determine a communication strategy for promoting the Pilot. This may include jointly developing communication and promotion materials, such as business process guidelines and information products, where appropriate.

14.3 Australia and Indonesia will consult Industry Stakeholders for the purpose of obtaining feedback on the Pilot.

## **15 OFFICIAL DISCLOSURE AND CONFIDENTIALITY**

15.1 Australia and Indonesia will endeavour to:

- (a) share with each other information relevant to the Pilot; and
- (b) consider any stakeholder requests for information and consult one another where needed.

15.2 Australia and Indonesia will maintain appropriate confidentiality and ensure that information collected and used in conjunction with the Pilot is not subject to unauthorised access, interference, use, loss or disclosure at any time.

15.3 Australia and Indonesia will provide guidance on the arrangements established by this MoU with the relevant government agencies and stakeholders involved in the management of the Pilot.

15.4 In keeping with principles outlined in paragraphs 15.1 through 15.3, Australia and Indonesia will comply with any relevant legislative and policy requirements in relation to official disclosure, and confidentiality and ensure their officers, employees, consultants and contractors are fully aware of their obligations.

## **16 DISPUTE RESOLUTION**

16.1 Any dispute between Australia and Indonesia concerning the interpretation or the implementation of this MoU will be settled amicably through consultations or negotiations.

16.2 Disputes will not be referred to any dispute resolution body or tribunal.

16.3 Despite the existence of a dispute, Australia and Indonesia will continue to perform their respective roles under this MoU, unless requested not to do so by either Australia or Indonesia or unless the MoU is suspended in accordance with paragraph 16.4.

16.4 Australia or Indonesia may, by providing a written notice, suspend operation of this MoU until the dispute is resolved to the satisfaction of both Australia and Indonesia. A suspension may be lifted following a further written notice.

16.5 Where this MoU is suspended:

(a) the arrangements under the MoU will continue to apply in respect of any holder of a visa issued under the MoU who remains in Indonesia or Australia at that time, until the expiration of that visa; and

(b) the provisions of this MoU concerning costs, confidentiality and the settlement of disputes will continue in effect notwithstanding the suspension.

## **17 COMMENCEMENT, DURATION AND TERMINATION**

17.1 The Participants recall that the Original MoU came into effect at the same time as the date of entry into force of the Agreement and shall be automatically terminated on the date of this MoU comes into effect.

17.2 This MoU (incorporating the amendments to the Original MoU that are set out in this MoU) will come into effect in accordance with paragraph 19.2.

17.3 This MoU remains in effect until the date that is five years after the date on which it enters into effect, unless Australia and Indonesia otherwise determine in writing. Australia and Indonesia may jointly decide to extend the Pilot on such terms and conditions as agreed by Australia and Indonesia.

17.4 This MoU may be terminated at any time.

17.5 In order to terminate this MoU, Australia or Indonesia will provide written notification to the other at least two months before the intended date of termination.

17.6 In the event that this MoU is terminated:

(a) the arrangements under the MoU will continue to apply in respect of any holder of a visa issued under the MoU who remains in Indonesia or Australia at that time, until the expiration or revocation of that visa; and

(b) the provisions of this MoU concerning costs and confidentiality will continue in effect notwithstanding the termination of this MoU.

## **18 REVIEWS**

18.1 Australia and Indonesia, in consultation with Industry Stakeholders, will review this MoU on an annual basis or within such other period as jointly determined.

18.2 As part of each review, Australia and Indonesia will consider the operation and implementation of the MoU, including but not limited to:

- (a) any issues affecting the implementation of the MoU;
- (b) the extent to which the MoU is achieving its objectives, including whether an adjustment to the parameters is beneficial to Australia and Indonesia;
- (c) the management of the MoU, including any issues identified by the Industry Stakeholders;
- (d) any reported compliance issues concerning Exchangees or organisations participating in the Pilot; and
- (e) any other issues that Australia and Indonesia consider relevant to the Pilot.

## **19 AMENDMENT**

19.1 If Australia and Indonesia amend this MoU, any amendment will be made jointly by Australia and Indonesia, and be made in writing.

19.2 An amendment to this MoU comes into effect on:

- (a) the date on which it is signed by both Australia and Indonesia; or
- (b) in the event that Australia and Indonesia do not sign the amendment on the same day, the date on which the last of the two signs; or
- (c) another date agreed by Australia and Indonesia.

## **20 CONTACTS**

20.1 For Indonesia, the Ministry of Manpower of the Republic of Indonesia (Cooperation Bureau).

20.2 For Australia, the Department of Foreign Affairs and Trade (Free Trade Agreements and Stakeholder Engagement Division, [iacepa.skills@dfat.gov.au](mailto:iacepa.skills@dfat.gov.au)).

20.3 Contacts will meet within four months of signing of this amended MoU, to discuss any issues affecting operationalisation.

## SIGNATURES

IN WITNESS WHEREOF, the undersigned have signed in duplicate this Memorandum of Understanding at Jakarta. An Indonesian language version will also be produced with both texts being equally valid. In case of any divergence in the interpretations, the English text will prevail.

Signed on the 25<sup>th</sup> day of August 2023 for the  
Government of Australia:

A handwritten signature in black ink, consisting of a large, stylized initial 'A' followed by a series of loops and a long horizontal stroke.

Australian Ambassador to Indonesia  
Department of Foreign Affairs and Trade

Signed on the 25<sup>th</sup> day of August 2023 for  
the Government of the Republic of  
Indonesia:

A handwritten signature in blue ink, featuring a long horizontal line followed by a stylized 'M' and a checkmark-like flourish.

Secretary General  
Ministry of Manpower